

COUNTY COUNCIL

Minutes of a meeting of the County Council held in Council Chamber, County Hall, Ruthin LL15 1YN on Tuesday, 9 December 2014 at 10.00 am.

PRESENT

Councillors Ian Armstrong, Raymond Bartley, Brian Blakeley (Chair), Jeanette Chamberlain-Jones, Bill Cowie, James Davies, Meirick Davies, Stuart Davies, Peter Duffy, Hugh Evans, Peter Evans, Bobby Feeley, Carys Guy, Huw Hilditch-Roberts, Martyn Holland, Colin Hughes, Rhys Hughes, Hugh Irving, Alice Jones, Huw Jones, Pat Jones, Gwyneth Kensler (Vice-Chair), Geraint Lloyd-Williams, Jason McLellan, Barry Mellor, Win Mullen-James, Bob Murray, Peter Owen, Dewi Owens, Merfyn Parry, Paul Penlington, Arwel Roberts, Gareth Sandilands, David Simmons, Barbara Smith, David Smith, Bill Tasker, Julian Thompson-Hill, Joe Welch, Cefyn Williams, Cheryl Williams, Eryl Williams and Huw Williams

ALSO PRESENT

Chief Executive (MM), Director of Social Services (NS), Head of Education (KE), Head of Marketing, Communication and Leisure (JG), Head of Finance and Assets (PM), Head of Customers and Education Support (JW), Head of Legal, HR and Democratic Services (GW), Democratic Services Manager (SP) and Corporate Improvement Officer (IM)

1 APOLOGIES

Apologies for absence were received from Councillors Joan Butterfield, Ann Davies, Richard Davies and Margaret McCarroll.

2 DECLARATIONS OF INTEREST

Councillor Colin Hughes declared a prejudicial interest, as his partner worked with the Welfare Rights Team, in item 6 - the Notice of Motion submitted on behalf of the Labour Group.

Councillors Stuart Davies, Meirick Lloyd-Davies, Huw Hilditch-Roberts, Paul Penlington, Arwel Roberts, David Simmons and Cefyn Williams all declared a personal interest in agenda item 7 – Budget 2015/16 & 2016/17 (partners/relatives worked for the Authority).

Councillor Raymond Bartley, Colin Hughes, Huw Jones, Martyn Holland, Gwyneth Kensler, Jason McLellan, Julian Thompson-Hill and Huw Williams, declared a personal interest in agenda item 9 – Polling Places Review (links with Community Centres).

Councillor Cheryl Williams declared a personal interest in item 13 – Voluntary Agreement to Exit the Housing Revenue Account Subsidy System (Council Tenant).

3 URGENT MATTERS AS AGREED BY THE CHAIR

No Urgent Matters were raised.

4 CHAIRMAN'S DIARY

A list of civic engagements undertaken for the Council by the Chair and Vice-Chair, for the period 28 October 2014 to 28 November 2014 had been circulated prior to the meeting.

The Chair informed Members that it had been a busy month and referred them to his online blog for more information and photographs of the events attended last month.

5 MINUTES

The minutes of the Council meeting held on 4th November 2014 were submitted. There were no matters arising.

RESOLVED that the minutes of 4th November 2014 be confirmed as a true record.

6 NOTICE OF MOTION

As Vice-Chair Councillor Gwyneth Kensler took the Chair for this item as Councillor Blakely had been a signatory on the Notice of Motion.

Councillor Colin Hughes having declared a prejudicial interest left the meeting at this juncture.

Councillor Jason McLellan moved the Notice of Motion submitted by the Labour Group :-

“That the decision made by full Council on 9th September 2014 under agenda item 12 – Budget 2015/15 2016/17 – in particular the savings proposals relating to Welfare Rights in Appendix 1 be set aside.”

Councillor McLellan confirmed that the motion was concerned with the setting aside proposals so far as they apply to the Welfare Rights Team (WRT) only.

Councillor McLellan informed Council that:

- the WRT provided a vital service to residents of Denbighshire whom had for various reasons fallen on hard times. The WRT generated over £5 million of additional income to its clients and subsequently the local economy in the previous year. Furthermore hundreds of families have been brought out of poverty – particularly fuel poverty (defined as more than 10% of household income spent on energy costs) – as a result of advice received from the WRT.
- A recent report produced by The Citizens advice Bureau (CAB), who work in partnership with the WRT, identified Denbighshire as the biggest debt

hotspot in the UK. The CAB currently undertake all the debt advice. The expectation is that the CAB will take on all welfare advice if Denbighshire cease to provide the service by the WRT, leading to an increased risk of pressure on the CAB.

- With reference to the information provided to Members in budget workshop meetings over the summer regarding the potential £200k savings in Welfare Rights. The option debated at the meeting was the potential outsourcing of the service. It later transpired that there were alternative options that could provide savings that were not presented at the meeting.
- Consideration should be given to the risks that the cessation of the WRT service could incur, including the potential reduction in funding from Welsh Government's Outcome Agreement - which is partially calculated on lifting people out of poverty. It was proposed that Council reconsider the Welfare Rights Team's potential efficiency savings taking into account all the options available with a view to agreeing and less risky delivery model.

Council Leader, Hugh Evans asked how the motion could be considered by Council given that it did not appear to follow the accepted protocol, whereby alternative funding methods should be proposed where decisions could not be agreed.

The Head of Legal, HR and Democratic Services (HL&DS) advised that the Council's Constitution provides, under section 13.1 of the Standing Orders, that a motion can be moved to amend or rescind a previous decision if it is signed by at least 10 members. Furthermore the HL&DS clarified that the protocol for proposing amendments to budget recommendations should include alternative funding options (to increase its chance of favourable consideration by Council) but not having alternatives would not prevent Members proposing amendments.

Councillor McLellan conceded that although the protocol had been agreed by Council he had not voted for it and had raised concerns with the process at Corporate Governance.

There followed a discussion regarding the origins of the financial difficulties facing Local Authorities, cuts from their allocated funding and the requirements to become more efficient in their spending and service provision.

The protocol for budget proposal decision making was debated at length. Several members felt that plenty of opportunity was given to discuss the proposals, request more information or challenge decisions if they weren't happy with the proposals put in front of them. Those Members agreed that as difficult as these decisions were they had to be made. It was felt that particularly where an alternative provider was available risk attributed to the proposed cut could be minimised.

Returning to the Motion Councillor McLellan - having sought advice from the HL&DS - proposed an amendment:

"That the decision made by full Council on 9th September 2014 under agenda item 12 – Budget – insofar as it relates to savings proposals to Welfare Rights in appendix 1 be set aside. In respect of all other savings proposals set out in that appendix the decision taken on 9th September 2014 is confirmed by Council."

A recorded vote was requested and supported by the requisite 1/6th of members present.

In favour of the motion were Councillors:

Armstrong, I.W.; Blakely, B.; Chamberlain-Jones, J; Guy, C.L.; Jones, P.M.; Lloyd-Williams, G.; McLellan, J.M.; Mellor, B.; Mullen-James, W.M.; Murray, R.M.; Penlington, P.; Sandilands, G; Simmons, D; Tasker, W.N. and Williams, C.H.

Against the motion were Councillors:

Bartley, J.R.; Cowie, W.L.; Davies, J.M.; Davies, M.LI; Davies, S.A.; Duffy, P.C.; Evans, H.H.; Evans, P.A.; Feeley, R.L.; Holland, M.L.; Hilditch-Roberts, H.; Hughes, T.R.; Irving, H.C.; Jones, E.A.; Jones, H.L; .Kensler, G.M; Owen, P.W.; Owens, D.; Parry, T.M.; Roberts, A.; Smith, B.A.; Smith, D.I.; Thompson-Hill, J.; Welch, J.S.; Williams, C.L.; Williams, E.W. and Williams, H.O.

RESOLVED that the motion as amended not be supported.

7 BUDGET 2015/16 - 2016/17

The Head of Finance and Assets presented the report (previously circulated) recommending the Phase 2 budget savings for approval. The report outlined the current budget position and detailed the latest raft of saving proposals totalling £3.6m in 2015/16 and £1.8m in 2016/17. Council was reminded that there was a legal duty to set and deliver the budget.

The Lead Member for Finance and Assets chronicled the progress of the proposed savings listed in appendix 1. The process began in April 2014 with a series of 17 Service budget meetings looking to identify potential savings. Areas identified in those meetings were submitted to budget workshops – 9 in total so far - for Members to consider the proposals presented. At those workshops Members were given 3 options:

1. adopt – proposal brought to next full Council for approval;
2. develop – more information requested and brought back to another budget workshop in October and if accepted full Council later;
3. defer – not to be progressed at that time.

There were 3 key decisions points; full Council in September, today's meeting and the formal setting of the budget in February 2015. This would allow for the transition period needed to ensure that the savings can be implemented from 1st April 2015.

Impact Assessments have been formulated from consultations including:

- Scrutiny committee meetings evaluating proposals in appendix 1 (CCTV and Provider Services).
- The Welsh Audit Office have reviewed the financial planning process and given the all clear.
- A public engagement exercise called “Cutting the Cloth” was launched in October to assess impact of cuts on the community.
- Town and Community Councils liaised with to discuss the possibility of their funding some services.
- Local Service Board, DVSC and other partners have been involved in discussions where changes may impact on them.
- Trade Unions and employees.

Details of the cumulative impact of all proposed savings were shown in appendix 6. If all proposals were agreed then protection could continue to be given to schools, social services and priority areas in the Corporate Plan.

The Head of Communications, Marketing and Leisure described the methods of communication used to engage with the public regarding the proposed savings. They included posting on the Denbighshire’s website and social media; local press briefings; positioning of exhibition panels and paper copies of proposals in all reception, civic and front line areas and issued front line staff briefings on a regular basis to engage with the residents.

From feedback received the top 5 concerns were:

1. Fly tipping
2. Reducing funds for children with disabilities
3. Highway maintenance / deterioration of road conditions
4. Changes to education psychology / counselling provision
5. Ceasing funding for the William Mathias Music

Suggestions received included:

1. Stop funding external organisations
2. Liaise with private business for use of public conveniences
3. Town and Community Councils to take over responsibility of play areas
4. Reduce streetlighting service
5. Replace paid school crossing patrol with Pelican Crossings or volunteers.

The Communications team were programming a range of communication activities to support the implementation of the proposals - including formal consultations for those required e.g. passenger transport and day care service provision etc.

The Corporate Improvement Officer explained the overall impact of the proposals set out in detail in appendix 6. The paper focuses on the worst and most likely case scenarios of the implementation of the savings programme. It was noted that

considerable effort had been put in by Services to reduce / mitigate the amount of projects having a negative impact on the areas assessed.

Council reflected on the austerity cuts imposed by central government and speculated that they would continue regardless of the outcome of the general election. It was suggested that Members contact their AMs and MPs to ask for fairer funding in Wales.

The following responses were given to questions raised by Council:

- The Town & Area Plans budget had acquired a significant underspend. Therefore it had been agreed to stop adding to those funds. Funds would continue to be allocated to T&C Plans until they were depleted.
- The Authorities use of consultants was subject to scrutiny on a regular basis and information should be readily available.
- Professional fees / training was allocated at service level and will have been considered under their freedom and flexibility exercises.
- Savings acquired under the Education Psychology Service arose from the retirement of the Principal Education Psychologist. This had not impacted on the service which continued to be delivered.
- Education social work service was being reviewed to ensure that the focus is on the statutory core function - attendance - and that safeguarding and protection was the responsibility of the correct partnership with schools.
- The education counselling service would be retaining the statutory requirement of monitoring. Given that school budgets had largely been protected from cuts they would be required to employ counsellors directly for any additional service.
- The William Mathias music funding proposal would not affect core music lessons which would continue in all schools. Peripatetic sessions and ensembles however would need to be funded directly by schools or alternative provision sourced.
- There would be no disproportionate effect on the Welsh language.
- The potential merger with Conwy was not being considered as part of this year's budget setting process.

Concerns and questions raised by Members:

- Appendix 6 did not address the impact of these cuts on lower income residents, loss of school uniform grant, schools trips and local bus services for the elderly.
- What would happen if Town/Community Councils or schools could not fund services that the County withdraws from?
- Less than 1% of Denbighshire's residents responded to the Cutting the Cloth exercise.
- Lack of clarity of where the cuts in Countryside Services would fall.
- Town and Community Councils did not have the information needed to set the precepts next month if expected to fund services.

The Chief Executive reiterated that these difficult decisions were needed through no fault of the Council but in response to the funding cuts to the Council. He credited Officers and Members for being able to protect schools, social services, libraries, leisure centres and youth provision and affirmed that they would endeavour to deliver the Corporate Plan.

Councillor David Smith requested a recorded vote which was supported by the requisite number of Members.

In favour of approval of the phase 2 savings proposals were Councillors:

Bartley, J.R.; Cowie, W.L.; Davies, J.M.; Davies, M.Ll.; Davies, S.A.; Duffy, P.C.; Evans, H.H.; Evans, P.A.; Feeley, R.L.; Holland, M.L.; Hilditch-Roberts, H.; Hughes, T.R.; Irving, H.C.; Jones, E.A.; Jones, H.L.; Owen, P.W.; Owens, D.; Parry, T.M.; Roberts, A.; Smith, B.A.; Smith, D.I.; Thompson-Hill, J.; Welch, J.S.; Williams, C.L.; Williams, E.W. and Williams, H.O.

Against approval of the phase 2 savings were Councillors:

Armstrong, I.W.; Chamberlain-Jones, J; Jones, P.M.; Lloyd-Williams, G; McLellan, J.M.; Mellor, B; Mullen-James, W.M.; Murray, R.M.; Penlington, P.; Sandilands, G; Simmons, D and Tasker, W.N.

Councillors Blakely and Kensler abstained from voting.

RESOLVED *that the phase 2 savings proposals be approved.*

8 CONTRACT PROCEDURE RULES

The Lead Member for Finance and Assets apologised for not bringing the reviewed Contract Procedure Rules (CPR) document to Council sooner but it was a complex technical document that had to be fit for purpose. A summary of amendments to the policy was shown in appendix 2. The purpose of the CPR is to protect Denbighshire's interest and make dealings as easy as possible for providers.

Significant amendments to the existing policy included:

- Section 10.3 Tender Exemptions, new levels in the approval process where the Lead Member could approve values between £1million and £2million. Values greater than £2million needed approval by Cabinet.
- Section 11 Approved Lists, Only contracts up to £25k for goods and services or £245k for works would be included. Approved lists would be phased out by April 2016
- Section 15 Sustainable Procurement, all contracts over £2million would have to consider community benefit clauses.
- Section 16 – 20 Levels of Contract issued; Values up to £10k as a single quotation, £10k to £25k would need 3 quotation and over £25k by public advert.
- Section 27 Tenders over £100k would be based on price and quality.

- Section 29 Tender Awards similar to tender exemptions approval requirement where the Lead Member could approve values between £1million and £2million. Values greater than £2million need approval by Cabinet .

In the discussion that followed some members conveyed the frustration expressed by some small business owners in their wards who were having difficulty getting onto the approved contractors list and the bureaucracy / paperwork involved in competing for business. It was suggested that where local businesses could provide goods and/or services at the right price they should be awarded in County wherever possible.

Council were informed that the way that the approved list worked currently meant that there were numerous companies on the list which meant individual companies weren't getting much work. The intention of the new framework was to hold a smaller pool of businesses who can then plan accordingly.

The Authority couldn't discriminate against businesses outside the County but could stipulate in service level agreements that a response time of 1 hour is required.

The Head of Finance and Assets described the transition to framework agreements where a framework would be advertised for 3 years e.g. for minor works. Anyone who wanted to be on that framework could bid at that point. Local business would be encouraged to nominate themselves. Then when tenders were invited the businesses on the framework would compete between themselves.

These frameworks would be held on an IT system that would automatically notify the businesses when there was an opportunity to tender on. The IT framework simplified the process for suppliers and negated the requirement for excessive paperwork. Suppliers could also engage with the Authority electronically, find out where their payments were up to etc. The system could also be used to manage supplier's performance.

RESOLVED that the revised Contract Procedure Rules be accepted and used by all departments of the Council.

9 REVIEW ON POLLING DISTRICTS AND PLACES

The Democratic Services Manager introduced the report (previously circulated) regarding the statutory requirement to review polling places every 4 years.

A consultation notice was published on Denbighshire's website and distributed to interested parties. No comments were received on the structure of current polling districts. With one exception the comments were supportive of the current arrangements for the polling stations themselves (all comments documented in appendix 2 to the report). The Returning Officers for the 3 parliamentary constituencies covered by Denbighshire had confirmed that they were happy with the current arrangements.

Denbigh Town Council had requested a closer polling station in the Central Ward for residents for those in the lower part of the division in the Townsend Vale Street area. The proposal was considered carefully but it was deduced that this would require the splitting of the central district division into 2 polling districts. Having reviewed the turnout and postal ballots for previous elections (appendix 3) it was concluded that the location of the current polling station at Eirianfa was not a detrimental factor and that the proposal would not be viable in terms of practicalities or cost. Otherwise the comments received were in favour of maintaining existing arrangements.

RESOLVED that existing arrangements for polling districts and polling places be agreed.

10 APPOINTMENT TO THE STANDARDS COMMITTEE

The Head of Legal, HR and Democratic Services presented a report in respect of vacancies on the Standards Committee. There were two positions to fill – one to the Council's Standards Committee and one to the Standards Committee Special Appointments Panel.

RESOLVED that Councillor Barry Mellor be appointed to the Council's Standards Committee and to the Standards Committee Special Appointments Panel.

11 COUNTY COUNCIL FORWARD WORK PROGRAMME

The Council's Forward Work Programme was submitted for consideration.

Members noted that –

- There would be a planning briefing prior to the Budget Workshop on 12th December.
- Council Briefing on 19th January would be a formal Council meeting initially in order to agree the Council Tax Reduction Scheme for 2015/16.

RESOLVED that, subject to the above, Council's Forward Work Programme be noted.

12 REVENUES AND BENEFITS COMMERCIAL PARTNERSHIP

PART 2 ITEM

RESOLVED that in accordance with Section 100A (4) of the Local Government Act 1972, that the Press and Public be excluded from the meeting during consideration of the following items of business because it is likely that exempt information as defined in paragraph 14 of Part 4 of Schedule 12A of the Act would be disclosed.

The Head of Finance and Assets presented the confidential report (Previously circulated) regarding proposals to form a commercial partnership with a private company – Civica - to deliver the Council's Revenues and Benefits Service.

During a detailed discussion Council considered the options analysis provided for the service and the reasoning behind the proposals to enter into a commercial partnership including its advantages over the alternative options, particularly in terms of savings and opportunity for growth.

Representatives of Civica made a presentation to Council and responded to members' questions regarding the proposed model and future plans should the partnership proceed, providing assurances regarding their commitment to Denbighshire in terms of staffing and location; Welsh Language provision and adherence to existing policies and procedures.

RESOLVED that Council agree the proposed partnership and delegate authority to the Lead Member and Head of Finance and Assets to negotiate the final terms of the contract.

13 VOLUNTARY AGREEMENT TO EXIT THE HOUSING REVENUE ACCOUNT SUBSIDY (HRAS) SYSTEM

The Head of Finance and Assets presented the confidential report (previously circulated) requesting Council approve the voluntary agreement exit the HRAS.

The report outlined the key milestones for exiting the HRAS system and provided an overview of the voluntary agreement to be signed between the eleven stock retention authorities and the Welsh Government to enable the exit to take place.

Members familiarised themselves with the collaborative agreement and welcomed the benefits of the proposed new system and financial advantages for Denbighshire. Officers responded to questions raised regarding the financial implications of the buy-out together with potential future investment in affordable housing stock.

RESOLVED that Council –

- (a) *approves the voluntary agreement to exit the HRAS system, and*
- (b) *delegates authority to the Lead Member for Finance and Assets and Head of Finance and Assets to finalise the detail of the agreement in discussion with the Welsh Local Government Association, Welsh Government and the ten other stock retention authorities in Wales.*